

**AN ORDINANCE RELATING TO THE FISCAL AFFAIRS OF REINVESTMENT ZONE NUMBER TWENTY-ONE, CITY OF HOUSTON, TEXAS (HARDY/NEAR NORTHSIDE ZONE); APPROVING THE FISCAL YEAR 2014 OPERATING BUDGET AND THE FISCAL YEARS 2014-2018 CAPITAL IMPROVEMENT PROJECTS BUDGET FOR THE ZONE; CONTAINING FINDINGS AND OTHER PROVISIONS RELATED TO THE FOREGOING SUBJECT; AND DECLARING AN EMERGENCY.**

\* \* \* \* \*

**WHEREAS**, the City created Reinvestment Zone Number Twenty-One, City of Houston, Texas ("Zone" or "Hardy/Near Northside Zone") by Ordinance No. 2003-1258 effective on December 23, 2003; and

**WHEREAS**, the City's Chief Development Officer has submitted to the City Council a Fiscal Year 2014 Operating Budget for the Zone ("Budget") and a Fiscal Years 2014-2018 Capital Improvements Projects Budget for the Zone ("CIP Budget") that the City Council desires to approve; **NOW, THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:**

**Section 1.** That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as part of this Ordinance.

**Section 2.** That the Budget attached hereto as Exhibit "A" is hereby approved for the Zone.

**Section 3.** That the CIP Budget attached hereto as Exhibit "B" is hereby approved for the Zone.

**Section 4.** That not later than March 31, 2014, the Zone shall, in cooperation with City representatives: (1) identify surplus funds in the Zone's Fiscal Year 2014

Operating Budget based on the difference between Zone revenues and the Fiscal Year 2014 Operating Budget approved by the City; and (2) make available any surplus Zone funds, through appropriate agreement, for projects identified by the City that are eligible for tax increment funding, such as affordable housing, areas of public assembly, incremental costs of municipal services attributable to development and redevelopment in the Zone, and capital projects that benefit the City and the Zone. The agreement may provide for the payment of surplus funds into one or more accounts established by the City or may provide for direct payment by the Zone for that purpose. The Zone shall consider amendments to the Zone Project Plan and Reinvestment Zone Financing Plan that may be necessary to accomplish this purpose, and shall expedite any such amendments.

**Section 5.** That the approval of this Budget is contingent upon receipt by the City's Chief Development Officer of a document signed by the Administrator of the Zone disclosing the name of each owner or developer of property within the Zone from which the Administrator has received compensation during the last five calendar years, and the amount of compensation by owner by year. Compensation may be expressed by category as follows:

Category I	Less than \$1,000.00
Category II	At least \$1,000.00 but less than \$10,000.00
Category III	At least \$10,000.00 but less than \$50,000.00
Category IV	At least \$50,000.00 but less than \$100,000.00
Category V	At least \$100,000.00 but less than \$500,000.00
Category VI	At least \$500,000.00 but less than \$1,000,000.00
Category VII	\$1,000,000.00 or more

**Section 6.** That there exists a public emergency requiring that this Ordinance

be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

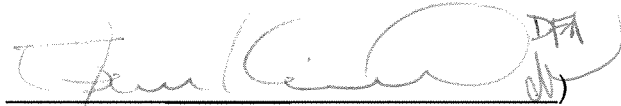
PASSED AND ADOPTED this 6th day of November, 2013.

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is NOV 12 2013

  
\_\_\_\_\_  
City Secretary

(Prepared by Legal Department   
(SEK:sek October 14, 2013 Senior Assistant City Attorney)  
(Requested by Andy Icken, Chief Development Officer)  
(L.D. File No. 0610200177033)

AYE	NO	
✓		MAYOR PARKER
....	....	COUNCIL MEMBERS
✓		BROWN
✓		DAVIS
✓		COHEN
✓		ADAMS
✓		MARTIN
✓		HOANG
✓		PENNINGTON
✓		GONZALEZ
✓		RODRIGUEZ
✓		LASTER
✓		GREEN
✓		COSTELLO
✓		BURKS
ABSENT DUE TO BEING ILL		NORIEGA
✓		BRADFORD
✓		CHRISTIE
CAPTION	ADOPTED	

**EXHIBIT "A"**

**Fiscal Year 2014 Operating Budget for the Hardy/Near Northside Zone**

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CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2014 BUDGET PROFILE

Fund Summary  
Fund Name: **Hardy Yards/Near Northside**  
TIRZ: **21**  
Fund Number: **7569/50**

P R O F I L E	Base Year:	2003
	Base Year Taxable Value:	\$ 40,313,080
	Projected Taxable Value (TY2013):	\$ 85,714,906
	Current Taxable Value (TY2012):	\$ 78,071,540
	Acres:	326.1
	Administrator (Contact):	City of Houston
	Contact Number:	(832) 393-0985

N A R R A T I V E	<b>Zone Purpose:</b>
	Tax Increment Reinvestment Zone Number Twenty-One, City of Houston, Texas was created to provide plans and programs needed to reposition a former Union Pacific rail yard site into a mixed-use development consisting of affordable housing and transit oriented mixed-use development through the design and construction of roadways and streets, utility systems, parks, hike and bike trails, mobility improvements, land acquisition and environmental remediation.

P R O J E C T  P L A N		Total Plan	Cumulative Expenses (to 6/30/12)	Variance
	Capital Projects:			
	Roadway and Sidewalk Improvements	\$ 37,692,000	\$ 103,634	\$ 37,588,366
	Public Utility Improvements	1,929,000	-	1,929,000
	Parks, Plazas and Recreational Facilities	1,440,000	-	1,440,000
	Land Acquisition	4,820,000	-	4,820,000
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	<b>Total Capital Projects</b>	<b>\$ 45,881,000</b>	<b>\$ 103,634</b>	<b>\$ 45,777,366</b>
	Affordable Housing	17,500,000	414,426	17,085,574
	School & Education/Cultural Facilities	-	-	-
	Financing Costs	1,700,000	-	1,700,000
	Administration Costs/ Professional Services	2,200,000	163,521	2,036,479
	Creation Costs	-	-	-
	<b>Total Project Plan</b>	<b>\$ 67,281,000</b>	<b>\$ 681,581</b>	<b>\$ 66,599,419</b>

D E B T	Additional Financial Data	FY2013 Budget	FY2013 Estimate	FY2014 Budget
	<u>Debt Service</u>	\$ -	\$ -	\$ -
	Principal	\$ -	\$ -	\$ -
	Interest	\$ -	\$ -	\$ -
		Balance as of 6/30/12	Projected Balance as of 6/30/13	Projected Balance as of 6/30/14
	<u>Year End Outstanding (Principal)</u>			
	Bond Debt	\$ -	\$ -	\$ -
	Bank Loan	\$ -	\$ -	\$ -
	Line of Credit	\$ -	\$ -	\$ -
	Developer Agreement	\$ -	\$ -	\$ -
	Other	\$ -	\$ -	\$ -

CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2014 BUDGET PROFILE

Fund Summary  
Fund Name: Hardy Yards/Near Northside  
TIRZ: 21  
Fund Number: 7569/50

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
<b>RESOURCES</b>			
RESTRICTED Funds - Capital Projects	\$ 692,513	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Developer Reimbursement	\$ -	\$ -	\$ 448,919
UNRESTRICTED Funds	\$ -	\$ 716,044	\$ 287,635
<b>Beginning Balance</b>	<b>\$ 692,513</b>	<b>\$ 716,044</b>	<b>\$ 736,554</b>
City tax revenue	\$ 248,412	\$ 249,307	\$ 521,551
County tax revenue	\$ -	\$ -	\$ -
ISD tax revenue	\$ -	\$ -	\$ -
ISD tax revenue - Pass Through	\$ -	\$ -	\$ -
Community College tax revenue	\$ -	\$ -	\$ -
<b>Incremental property tax revenue</b>	<b>\$ 248,412</b>	<b>\$ 249,307</b>	<b>\$ 521,551</b>
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Miscellaneous revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
COH TIRZ interest	\$ 618	\$ 618	\$ 618
Interest Income	\$ 457	\$ 957	\$ 957
<b>Other Interest Income</b>	<b>\$ 1,075</b>	<b>\$ 1,575</b>	<b>\$ 1,575</b>
	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
<b>Grant Proceeds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	\$ -	\$ -	\$ -
<b>Proceeds from Bank Loan</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	\$ -	\$ -	\$ -
<b>Contract Revenue Bond Proceeds</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL AVAILABLE RESOURCES</b>	<b>\$ 942,000</b>	<b>\$ 966,926</b>	<b>\$ 1,259,681</b>

CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2014 BUDGET PROFILE

Fund Summary  
Fund Name: Hardy Yards/Near Northside  
TIRZ: 21  
Fund Number: 7569/50

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
<b>EXPENDITURES</b>			
Accounting	\$ 10,000	\$ 6,111	\$ 10,000
Administration Salaries & Benefits	\$ 10,500	\$ 10,437	\$ 10,500
Auditor	\$ 8,000	\$ 8,000	\$ 8,000
Bond Services/Trustee/Financial Advisor	\$ -	\$ -	\$ -
Insurance	\$ 700	\$ 678	\$ 700
Office Administration	\$ 75	\$ 379	\$ 75
<b>TIRZ Administration and Overhead</b>	<b>\$ 29,275</b>	<b>\$ 25,605</b>	<b>\$ 29,275</b>
Engineering Consultants	\$ -	\$ -	\$ -
Legal	\$ 14,000	\$ 5,566	\$ 15,000
Construction Audit	\$ -	\$ -	\$ -
Planning Consultants	\$ -	\$ -	\$ -
<b>Program and Project Consultants</b>	<b>\$ 14,000</b>	<b>\$ 5,566</b>	<b>\$ 15,000</b>
<b>Management consulting services</b>	<b>\$ 43,275</b>	<b>\$ 31,171</b>	<b>\$ 44,275</b>
Capital Expenditures (See CIP Schedule)	\$ 220,289	\$ 103,634	\$ 382,600
<b>TIRZ Capital Expenditures</b>	<b>\$ 220,289</b>	<b>\$ 103,634</b>	<b>\$ 382,600</b>
Hardy Yards/Cypress Development	\$ -	\$ -	\$ -
<b>Developer / Project Reimbursements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>System debt service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PROJECT COSTS</b>	<b>\$ 263,564</b>	<b>\$ 134,805</b>	<b>\$ 426,875</b>



CITY OF HOUSTON  
ECONOMIC DEVELOPMENT DIVISION  
FISCAL YEAR 2014 BUDGET PROFILE

Fund Summary  
Fund Name: Hardy Yards/Near Northside  
TIRZ: 21  
Fund Number: 7569/50

TIRZ Budget Line Items	FY2013 Budget	FY2013 Estimate	FY2014 Budget
Payment/transfer to ISD - educational facilities	\$ -	\$ -	\$ -
Payment/transfer to ISD - educational facilities (Pass Through)	\$ -	\$ -	\$ -
Administration Fees:			
City	\$ 12,421	\$ 12,465	\$ 26,078
County	\$ -	\$ -	\$ -
ISD	\$ -	\$ -	\$ -
HCC	\$ -	\$ -	\$ -
Affordable Housing:			
City	\$ 82,804	\$ 83,102	\$ 173,850
County	\$ -	\$ -	\$ -
ISD to City of Houston	\$ -	\$ -	\$ -
Municipal Services (Payable to COH)	\$ -	\$ -	\$ -
<b>Total Transfers</b>	<b>\$ 95,225</b>	<b>\$ 95,567</b>	<b>\$ 199,928</b>
<b>Total Budget</b>	<b>\$ 358,789</b>	<b>\$ 230,372</b>	<b>\$ 626,803</b>
RESTRICTED Funds - Capital Projects	\$ 486,234	\$ -	\$ -
RESTRICTED Funds - Affordable Housing	\$ -	\$ -	\$ -
RESTRICTED Funds - Developer Reimbursement	\$ 80,736	\$ 448,919	\$ 532,878
UNRESTRICTED Funds	\$ 16,241	\$ 287,635	\$ 100,000
<b>Ending Fund Balance</b>	<b>\$ 583,211</b>	<b>\$ 736,554</b>	<b>\$ 632,878</b>
<b>Total Budget &amp; Ending Fund Balance</b>	<b>\$ 942,000</b>	<b>\$ 966,926</b>	<b>\$ 1,259,681</b>

Notes:

## **EXHIBIT "B"**

### **Fiscal Years 2014-2018 Capital Improvement Projects Budget for for the Hardy/Near Northside Zone**

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Council District	CIP No.	Project	Fiscal Year Planned Appropriations								Cumulative Total (To Date)
			Through 2012	Projected 2013	2014	2015	2016	2017	2018	FY14 - FY18 Total	
H	T-2101	Pedestrian Pathways/Hike and Bike Trails	\$ 103,634	103,634	382,600	-	-	-	-	382,600	589,868
		<b>Totals</b>	\$ 103,634	\$ 103,634	\$ 382,600	\$ -	\$ -	\$ -	\$ -	\$ 382,600	\$ 589,868

\* NOTE:

\*\* NOTE:

\*\*\* NOTE:

Source of Funds	Fiscal Year Planned Appropriations								Cumulative Total (To Date)
	Through 2012	Projected 2013	2014	2015	2016	2017	2018	FY14 - FY18 Total	
TIRZ Funds	103,634	103,634	382,600	-	-	-	-	382,600	589,868
City of Houston	-	-	-	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Project Total	103,634	103,634	382,600	-	-	-	-	382,600	589,868

Project:		Pedestrian Pathways/Hike and Bike Trails			City Council District		Key Map:		491		WBS.:		T-2101								
					Location:		Geo. Ref.:														
					Served:		Neighborhood:		51, 61												
Description:		Pedestrian and Bike Access Trails on Pickney, Gargan and Myrtle between the White Oak Bayou trail system and Main Street.			Operating and Maintenance Costs: (\$ Thousands)																
					2014		2015		2016		2017		2018		Total						
					Personnel		-		-		-		-		\$						
					Supplies		-		-		-		-		\$						
					Svcs. & Chgs.		-		-		-		-		\$						
					Capital Outlay		-		-		-		-		\$						
					Total		\$		-		-		-		\$						
					FTEs										-						
Fiscal Year Planned Expenses																					
Project Allocation		Projected Expenses thru 6/30/12		2013 Budget		2013 Estimate		2014		2015		2016		2017		2018		FY14 - FY18 Total		Cumulative Total (To Date)	
1 Planning		-		-		-		-		-		-		-		-		-		\$	
2 Acquisition		-		-		-		-		-		-		-		-		-		\$	
3 Design		103,634		92,616		103,634		-		-		-		-		-		-		\$	
4 Construction		-		127,673		-		382,600		-		-		-		-		382,600		\$ 207,268	
5 Equipment		-		-		-		-		-		-		-		-		-		\$ 382,600	
6 Close-Out		-		-		-		-		-		-		-		-		-		\$	
7 Other		-		-		-		-		-		-		-		-		-		\$	
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